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THE HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF
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SURGEON GENERAL OF THE NAVY
BEFORE THE
SUBCOMMITTEE ON MILITARY PERSONNEL
OF THE
HOUSE ARMED SERVICES COMMITTEE

SUBJECT:
DEFENSE HEALTH PROGRAM BUDGET OVERVIEW

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Introduction

Chairman Wilson, Congresswoman Davis, distinguished Members of the Subcommittee, I am pleased to be with you today to provide an update on Navy Medicine, including some of our collective strategic priorities, accomplishments, and opportunities. I want to thank the Committee Members for the tremendous confidence and support of Navy Medicine.

I can report to you Navy Medicine remains strong, capable and mission-ready to deliver world class care, anytime, anywhere. We are operating forward and globally engaged, no matter what the environment and regardless of the challenge. The men and women of Navy Medicine remain flexible, agile and resilient in order to effectively meet their operational and wartime commitments, including humanitarian assistance; and concurrently, delivering outstanding patient and family-centered care to our beneficiaries. It is a challenge, but one that we are privileged to undertake.

One of my top priorities since becoming the Navy Surgeon General in November 2011 is to ensure that Navy Medicine is strategically aligned with the imperatives and priorities of the Secretary of the Navy, Chief of Naval Operations and Commandant of the Marine Corps. We are fully engaged in executing the operational missions and core capabilities of the Navy and Marine Corps – and we do this by maintaining warfighter health readiness, delivering the continuum of care from the battlefield to the bedside and protecting the health of all those entrusted to our care. Our focus remains in alignment with our Navy and Marine Corps leadership as we support the defense strategic guidance, “*Sustaining U.S. Global Leadership: Priorities for the 21st Century*” issued by the President and Secretary of Defense earlier this year. The Chief of Naval Operations in his “Sailing Directions” has articulated the Navy’s core

responsibilities and Navy Medicine stands ready as we move forward at this pivotal time in our history.

Navy Medicine appreciates the Committee's strong support of our resource requirements. The President's Budget for FY2013 adequately funds Navy Medicine to meet its medical mission for the Navy and Marine Corps. We recognize the significant investments made in supporting military medicine and remain committed to providing outstanding care to all our beneficiaries. Moving forward, we must innovate, position our direct care system to recapture private sector care and deliver best value to our patients. Driving these changes is critical and necessary, but not sufficient. The Secretary of Defense has articulated that the current upward trajectory of health care spending within the Department is not sustainable. Accordingly, the President's Budget includes important health care proposals designed to address this situation, including adjustments in TRICARE fees. The Department of Navy supports these proposals and believes they are important for ensuring a sustainable and equitable benefit for all our beneficiaries. We deliver one of the most comprehensive health benefits available and these changes will help us better manage costs, provide quality, accessible care and keep faith with our beneficiaries. As the Navy Surgeon General, I appreciate the tremendous commitment of our senior leaders in this critical area and share the imperative of controlling costs and maintaining an affordable and sustainable benefit.

Value – a key analytic in our decision-making – must inherently address cost and quality as we implement efficiencies and streamline operations. All of us in the MHS recognize the challenges ahead are significant, including rising health care costs, increased number of beneficiaries and maintaining long-term care responsibilities for our medically-retired warriors.

Additionally, we are very focused on improving internal controls and financial procedures in response to Congressional priorities to obtain a clean financial audit. We have mandated the use of standard operating procedures at all our activities for those business processes which impact financial transactions. I have also emphasized the responsibility of every commanding officer in setting and maintaining appropriate internal controls. We are regularly evaluating our progress through financial transactions and process reviews which help us identify if any changes need to be made. We are making progress and our leadership is fully engaged and leaning forward to ensure the best possible stewardship of our resources.

Alignment is also critical as we focus on more joint solutions within the Military Health System (MHS) and in conjunction with the Army and Air Force. We see tremendous progress in joint medical operations, from battlefield medicine to education and training to research and development. As we continue to synchronize our collective efforts through deliberative planning and rigorous analyses, I believe we will have more opportunities to create synergies, reduce redundancies and enhance value across the MHS.

Our continuing joint efforts in the integration of the Quadruple Aim initiative is helping to develop better outcomes and implement balanced incentives across the MHS. The Quadruple Aim applies the framework from the Institute for Healthcare Improvement (IHI) and customizes it for the unique demands of military medicine. It targets the MHS and Services' efforts on integral outcomes in the areas of readiness, population health and quality, patient experience and cost. Our planning process within Navy Medicine is complementary to these efforts and targets goals that measure our progress and drive change through constructive self-assessment. I have challenged Navy Medicine leaders at headquarters, operational and regional commands and treatment facilities to maintain strategic focus on these key metrics.

Our Mission is Force Health Protection

Force Health Protection is at the epicenter of everything we do. It is an expression of our Core Values of Honor, Courage and Commitment and the imperative for our world-wide engagement in support of expeditionary medical operations and combat casualty care. It is at the very foundation of our continuum of care in support of the warfighter and optimizes our ability to promote, protect and restore their health. It is both an honor and obligation.

Our Force Health Protection mission is clearly evident in our continued combat casualty care mission in Operation ENDURING FREEDOM (OEF). Navy Medicine personnel are providing direct medical support to the operating forces throughout the Area of Responsibility (AOR). We continue to see remarkable advances in all aspects of life-saving trauma care. These changes have been dramatic over the last decade and enabled us to save lives at an unprecedented rate. We are continuously implementing lessons learned and best clinical practices, ensuring our providers have the most effective equipment available and focusing on providing realistic and meaningful training. Mission readiness means providing better, faster combat casualty care to our warfighters.

The NATO Role 3 Multinational Medical Unit (MMU), operating at Kandahar Airfield, Afghanistan is a world-class combat trauma hospital that serves a unique population of U.S. and Coalition forces, as well as Afghan National Army, National Police and civilians wounded in Afghanistan. Led by Navy Medicine, the Role 3 MMU is an impressive 70,000 square foot state-of-the-art facility that is the primary trauma receiving and referral center for all combat casualties in Southern Afghanistan. It has 12 trauma bays, four operating rooms, 12 intensive care beds and 35 intermediate care beds. The approximately 250 staff of active component (AC) and reserve component (RC) personnel includes 30 physicians with multiple surgical

specialties as well as anesthesia, emergency medicine and internal medicine. RC personnel currently make up 27% of overall manning and provide us unique and invaluable skill sets. With trauma admissions averaging 175 patients per month, the unit achieved unprecedented survival rates in 2011. In addition, MMU has two Forward Surgical Teams deployed in the region to provide frontline surgical trauma care demonstrating agility to meet changing operational requirements.

Training is critical for our personnel deploying to the MMU Role 3. This year, we established a targeted training program at the Naval Expeditionary Medical Training Institute (NEMTI) onboard Marine Corps Base Camp Pendleton for our personnel deploying to the MMU. The training is part of an effort designed to foster teamwork, and build medical skills specific to what personnel require while on a six-month deployment. Navy Medicine and U.S. Fleet Forces Command (FFC) recognized the need to integrate medical training scenarios to expand upon the knowledge and skills required to fill positions at the Kandahar Role 3 facility. In January, I had the opportunity to see this impressive training in action during the course's final exercise and saw our personnel implement the clinical skills they honed during the two-week course. They participated in a scenario-driven series of exercises, including staffing a fully equipped hospital receiving patients with traumatic injuries, simulated air strike, and a mass casualty drill. This training, as well as the program at the Navy Trauma Training Center (NTTC) at Los Angeles County/ University of Southern California Medical Center where our personnel train as teams in a busy civilian trauma center, help ensure our deployers have the skills and confidence to succeed in their combat casualty care mission.

Recognizing the importance of ensuring our deployed clinicians have access to state-of-the-art capabilities, Navy Medicine, in conjunction with the Army, Air Force, and our

contracted partners worked successfully to deliver the first ever magnetic resonance imaging (MRI) technology in a combat theatre to aid the comprehensive diagnosis and treatment of concussive injuries. Efforts included the planning, design and execution of this new capability as well as ensuring that clinical, logistical, transportation, environmental, and sustainment considerations for the MRIs were fully addressed prior to the deployment of the units to the battlefield. The fact that we were able to design, acquire and deliver this new capability to the battlefield in approximately six months from contract award is a testament to the commitment of the joint medical and logistics teams. MRIs are now in place Role 3 MMU in Kandahar, Role 3 Trauma Hospital in Camp Bastion and the Joint Theatre Hospital located on Bagram Airfield.

Navy Medicine also supports stability operations through multiple types of engagements including enduring, ship-centric humanitarian assistance (HA) missions such as PACIFIC PARTNERSHIP and CONTINUING PROMISE, which foster relationships with partner countries. During 2011 PACIFIC PARTNERSHIP 2011, 86 Navy Medicine personnel augmented with non-governmental organization, interagency and other Service personnel conducted activities in Tonga, Vanuatu, Papua New Guinea, Timor Leste, and Federated States of Micronesia. Engagements included engineering projects, veterinary services, preventive medicine/public health, and biomedical equipment repair. CONTINUING PROMISE 2011 involved 480 Navy Medicine personnel conducting activities in Jamaica, Peru, Ecuador, Colombia, Nicaragua, Guatemala, El Salvador, Costa Rica, and Haiti. Over 67,000 patients were treated and 1,130 surgeries were performed during this important mission. In addition to our efforts at sea, Navy Medicine also supports land-based HA engagements including Marine Corps

exercises such as AFRICA PARTNERSHIP STATION and SOUTHERN PARTNERSHIP STATION as well as multiple Joint exercises such as BALIKATAN in the Philippines.

Medical Home Port: Patient and Family-Centered Care

We completed our initial deployment of Medical Home Port (MHP) throughout the Navy Medicine enterprise. MHP is Navy Medicine's adaptation of the successful civilian Patient-Centered Medical Home (PCMH) concept of care which transforms the delivery of primary care to an integrated and comprehensive suite of services. MHP is founded in ensuring that patients see their assigned provider as often as possible, and that they can access primary care easily rather than seeking primary care in the emergency room. Strategically, MHP is a commitment to total health and, operationally, it is foundational to revitalizing our primary care system and achieving high quality, accessible, cost efficient health care for our beneficiaries.

We are also working with the Marine Corps to implement the Marine-Centered Medical Home (MCMH) as a complementary analogue to the MHP. Likewise, we are working with U.S. Fleet Forces Command to establish a fleet-based model of the PCMH using the same principles. The first prototype carrier-based PCMH concept will be developed for USS ABRAHAM LINCOLN (CVN-72).

Initial results are encouraging. MHP performance pilots at the Walter Reed National Military Medical Center (WRNMMC) and Naval Hospital Pensacola have shown improvement in key health care outcomes such as: increased patient satisfaction: improved access to care: and improved quality of care associated with decreased use of the emergency room (an important cost driver). Data show similar results enterprise-wide through October 2011, and also indicate improved continuity with assigned provider, decreased emergency room utilization and better cost containment when compared with FY2010.

Healing in Body, Mind and Spirit

Health is not simply the absence of infirmity or disease – it is the complete state of physical, mental, spiritual and social well being. As our wounded warriors return from combat and begin the healing process, they deserve a seamless and comprehensive approach to their recovery. Our focus is integrative, complementary and multidisciplinary-based care, bringing together clinical specialists, behavioral health providers, case managers, and chaplains. There are approximately 170 medical case managers who work closely with their line counterparts in the Marine Corps' Wounded Warrior Regiment and the Navy's Safe Harbor program to support the full-spectrum recovery process for Sailors, Marines and their families.

We have made remarkable progress in ensuring our wounded service members get the care they need – from medical evacuation through inpatient care, outpatient rehabilitation to eventual return to duty or transition from the military. With our historically unprecedented battlefield survival rate, we witness our heroes returning with the life-altering wounds of war which require recovery and long-term care. We must continue to adapt our capabilities to best treat these conditions and leverage our systems to best support recovery.

To that end, we are committed to connecting our wounded warriors to approved emerging and advanced diagnostic and therapeutic options within our MTFs and outside of military medicine. We do this through collaborations with major centers of reconstructive and regenerative medicine while ensuring full compliance with applicable patient safety policies and practices. The Naval Medical Research and Development Center in Frederick, Maryland, is aggressively engaged in furthering support for cooperative medical research between multiple centers of regenerative and reconstructive medicine. Their collaborative efforts, in conjunction with the Armed Forces Institute of Regenerative Medicine (AFIRM), are essential in developing new

regenerative and transplant capabilities, both at the civilian and the military institutions with ultimate sharing of knowledge, expertise and technical skills in support of restoration of our wounded warriors.

Navy Medicine continues a robust translation research program in wound healing and wound care, moving technologies developed at the bench to deployment in the clinic to enhance the care of the wounded warfighter. Concurrently, we are focused on improving the capability and capacity to provide comprehensive and interdisciplinary pain management from the operational setting to the MTF to home. This priority includes pain management education and training to providers, patients, and families to prevent over-prescribing, misuse of medications and promoting alternative therapies.

Preserving the psychological health of service members and their families is one of the greatest challenges we face today. The Navy continues to foster a culture of support for psychological health as an essential component to total force fitness and readiness. Navy and Marine Corps Combat Operational Stress Control (OSC) programs provide Sailors, Marines, leaders and families the skills and resources to build resiliency. We also continue to address stigma by encouraging prevention, early intervention, and help-seeking behaviors. Training is designed to build teams of leaders, Marines, Sailors, medical and religious ministry personnel to act as sensors for leadership by noticing small changes in behavior and taking action early. These efforts support in fostering unit strength, resilience, and readiness.

Navy Medicine has continued to adapt psychological health support across traditional and non-traditional health care systems. Access to psychological health services have increased in venues designed to reduce the effects associated with mental health stigma. These efforts are also focused on suicide prevention and are designed to improve education, outreach and

intervention. In 2011, more than 1,000 health providers received targeted training in assessing and managing suicide risk. We are also integrating behavioral health providers in our MHP program to help address the needs of our patients in the primary care setting.

Post-Traumatic Stress Disorder (PTSD) is one of many psychological health conditions that adversely impacts operational readiness and quality of life. Navy Medicine has an umbrella of psychological health programs that target multiple, often co-occurring, mental health conditions including PTSD. These programs support prevention, diagnosis, mitigation, treatment, and rehabilitation of PTSD. Our efforts are also focused on appropriate staffing, meeting access standards, implementing recommended and standardized evidence-based practices, as well as reducing stigma and barriers to care.

We recently deployed our fifth Navy Mobile Mental Health Care Team (MCT) in Afghanistan. Consisting of two mental health clinicians, a research psychologist and an enlisted behavioral health technician, their primary mission is to administer the Behavioral Health Needs Assessment Survey (BHNAS). The results give an overall assessment and actionable intelligence of real-time mental health and well-being data for our deployed forces. It can also identify potential areas or sub-groups of concern for leaders on the ground and those back in garrison. The survey assesses mental health outcomes, as well as the risk and protective factors for those outcomes such as combat exposures, deployment-related stressors, positive effects of deployment, leadership perceptions, and morale and unit cohesion. The MCT also has a preventive mental health and psycho-education role and provides training in Combat and Operational Stress Control (COSC) and Combat and Operational Stress First Aid (COSFA) to Sailors in groups and individually to give them a framework to mitigate acute stressors and promote resilience in one another.

Data from previous MCT deployments and BHNAS analyses indicate continued need for implementation of COSC doctrine and command support in OEF. In addition, the Joint Mental Health Assessment Team (J-MHAT 7) surveillance efforts conducted in Afghanistan during 2010 indicate an increase in the rate of Marines screening at-risk for PTSD relative to similar surveys conducted in Marine samples serving in Iraq during 2006 and 2007. This assessment also shows increases in training effectiveness regarding managing combat deployment stress, as well as a significant reduction in stigma associated with seeking behavioral health treatment.

In collaboration with the Marine Corps, the Operational Stress Control and Readiness (OSCAR) program represents an approach to mental health care in the operational setting by taking mental health providers out of the clinic and embedding them with operational forces to emphasize prevention, early detection and brief intervention. OSCAR-trained primary care providers recognize and treat psychological health issues at points where interventions are often most effective. In addition, OSCAR includes chaplains and religious personnel (OSCAR Extenders) who are trained to recognize stress illness and injuries and make appropriate referral. Over 3,000 Marine leaders and individual Marines have been trained in prevention, early detection and intervention in combat stress through OSCAR Team Training and will operate in OSCAR teams within individual units.

Through the Caregiver Occupational Stress Control (CgOSC) Program, Navy Medicine is also working to enhance the resilience of caregivers to the psychological demands of exposure to trauma, wear and tear, loss, and inner conflict associated with providing clinical care and counseling. The core objectives include: early recognition of distress; breaking the code of silence related to stress reactions and injuries; and engaging caregivers in early help as needed to maintain both mission and personal readiness.

Our emphasis remains ensuring that we have the proper size and mix of mental health providers to care for the growing need of service members and their families who need care. Within Navy Medicine, mental health professional recruiting and retention remains a top priority. Although shortfalls remain, we have made progress recruiting military, civilian and contractor providers, including psychiatrists, clinical psychologists, social workers and mental health nurse practitioners. We have increased the size of the mental health workforce in these specialties from 505 in FY2006 to 829 in FY2012. Notwithstanding the military is not immune to the nation-wide shortage of qualified mental health professionals. Throughout the country, the demand for behavioral health services remains significant and continues to grow.

Caring for our Sailors and Marines suffering with Traumatic Brain Injury (TBI) remains a top priority. While we are making progress, we have much work ahead of us as we determine both the acute and long-term impact of TBI on our service members. Our strategy must be both collaborative and inclusive by actively partnering with the other Services, our Centers of Excellence, the Department of Veterans Affairs (VA), and leading academic medical and research centers to make the best care available to our warriors afflicted with TBI.

Navy Medicine is committed to ensuring thorough screening for all Sailors and Marines prior to deployment, while in theatre, and upon return from deployment. Pre-deployment neurocognitive testing is mandated using the Automated Neuropsychological Assessment Metrics (ANAM). The ANAM provides a measure of cognitive performance, that when used with a patient with confirmed concussion, can help a provider determine functional level as compared to the service member's baseline. In-theatre screening, using clinical algorithms and the Military Acute Concussion Evaluation (MACE), occurs for those who have been exposed to a potentially concussive event, as specified by the event driven protocols of the TBI Directive-

type Memorandum (DTM) 09-033 released in June 2010.

DTM-09-033 has changed the way we treat TBI in theatre. It requires pre-deployment on point of injury care, improved documentation and tracking of concussion by line and medical leaders, as well as a move towards standardization of system-wide care.

In-theatre, the Concussion Restoration Care Center (CRCC) at Camp Leatherneck Afghanistan, became operational in August 2010. CRCC represents a ground-breaking, interdisciplinary approach to comprehensive musculoskeletal and concussion care in the deployed setting. As of December 1, 2011, the CRCC has seen over 2,500 patients (over 750 with concussion) with a greater than 95% return to duty rate. I am encouraged by the impact the CRCC is having in theatre by providing treatment to our service members close to the point of injury and returning them to duty upon recovery. We will continue to focus our attention on positioning our personnel and resources where they are most needed.

Post-deployment surveillance is accomplished through the Post-Deployment Health Assessment (PDHA) and Post-Deployment Health Reassessment (PDHRA), required for returning deployers. Navy Medicine has conducted additional post-deployment TBI surveillance on high risk units and those Marines with confirmed concussions in theatre, with a goal of improving patient outcomes and better informing leaders.

Access and quality of care for treating TBIs are being addressed through standardization of Navy Medicine's current six clinical TBI specialty programs at Naval Medical Center Portsmouth, Naval Medical Center San Diego, Naval Hospital Camp Lejeune, Naval Hospital Camp Pendleton, Naval Health Clinic New England - Branch Health Clinics Groton and Portsmouth. Additionally, we have an inpatient program at WRNMMC which focuses on moderate and severe TBI while also conducting screening for TBI on all polytrauma patients

within the medical center.

The National Intrepid Center of Excellence (NICoE) is dedicated to providing cutting-edge evaluation, treatment planning, research and education for service members and their families dealing with the complex interactions of mild traumatic brain injury and psychological health conditions. Their approach is interdisciplinary, holistic, patient and family-centered. The NICoE's primary patient population is comprised of active duty service members with TBI and PH conditions who are not responding to current therapy. The NICoE has spearheaded partnerships with many military, federal, academic and private industry partners in research and education initiatives to further the science and understanding of these invisible wounds of war. The Department of Defense (DoD) has recently accepted an offer from the Intrepid Fallen Heroes Fund to construct several NICoE Satellite centers to treat our military personnel suffering from PTSD or TBI locally. The first installations to receive these centers will be Fort Belvoir, Camp Lejeune and Fort Campbell. The Services are actively working together to determine the details regarding project timelines, building sizes, staffing, funding, and sustainability.

We need to continue to leverage the work being done by the Defense Centers of Excellence for Psychological Health and Traumatic Brain Injury, including the Defense and Veterans Brain Injury Center, given their key roles in the expanding our knowledge of PH and TBI within the MHS, the VA and research institutions. This collaboration is also evident in the work being conducted by the Vision Center of Excellence (VCE), established by the National Defense Authorization Act of 2008. VCE, for which Navy Medicine currently provides operational support, exemplifies this important symmetry with military medicine, the VA and research partners. They are developing a distributed and integrated organization with regional locations that link together a network of clinical, research, and teaching centers around the world. The

VCE encompasses an array of national and international strategic partners, including institutions of higher learning, and public and private entities.

Family readiness supports force readiness so we must have programs of support in place for our families. We continue to see solid results from FOCUS (Families Over Coming Under Stress), our evidence-based, family-centered resilience training program that enhances understanding of combat and operational stress, psychological health and developmental outcomes for highly stressed children and families. Services are offered at 23 CONUS/OCONUS locations. As of December 2011, 270,000 families, service members, and community support members have been trained on FOCUS. Based on the program's annual report released in July 2011, we can see there has been a statistically significant decrease in issues such as depression and anxiety in service members, spouses and children who have completed the program as well as a statistically significant increase in positive family functioning for families.

For our Marine Corps and Navy reserve populations, we have developed the Reserve Psychological Health Outreach Program (PHOP). PHOP provides psychological health outreach, education/training, and resources a 24/7 information line for unit leaders or reservists and their families to obtain information about local resources for issues related to employment, finances, psychological health, family support, and child care. PHOP now includes 55 licensed mental health providers dispersed throughout the country serving on 11 teams located centrally to Navy and Marine Force Reserve commands.

Returning Warrior Workshops (RWWs) began with the Navy Reserve more than five years ago and are conducted quarterly in each Navy Reserve Region across the country. As of September 2011, over 10,000 service members and their families have participated in RWWs.

RWWs assist demobilized service members and their loved ones in identifying immediate and potential issues that often arise during post-deployment reintegration.

Navy Medicine maintains a steadfast commitment to our Substance Abuse Rehabilitation Programs (SARPs). SARPs offer a broad range of services to include alcohol education, outpatient and intensive outpatient treatment, residential treatment, and medically managed care for withdrawal and/or other medical complications. We have expanded our existing care continuum to include cutting-edge residential and intensive outpatient programs that address both substance abuse and other co-occurring mental disorders directed at the complex needs of returning warriors who may suffer from substance abuse disorders and depression or PTSD. In addition, Navy Medicine has developed a new program known as MORE – My Online Recovery Experience. In conjunction with Hazelden, a civilian leader in substance abuse treatment and education, MORE is a ground-breaking web-based recovery management program available to service members 24/7 from anywhere in the world. Navy Medicine has also invested in important training opportunities on short-term interventions and dual diagnosis treatment for providers and drug and alcohol counselors, markedly improving quality and access to care.

Our Naval Center for Combat & Operational Stress Control (NCCOSC) – now in its fourth year – continues to improve the psychological health of Marines and Sailors through comprehensive programs that educate service members, build psychological resilience and promote best practices in the treatment of stress injuries. The overarching goal is to show Sailors and Marines how to recognize signs of stress before anyone is in crisis and to get help when it is needed. NCCOSC continues to make progress in advancing research for the prevention, diagnosis and treatment of combat and operational stress injuries, including PTSD. They have 50 on-going scientific projects and have doubled the number of enrolled participants from a year

ago to over 7,100. Similarly, they have expanded the enrollment in their Psychological Health Pathways (PHP) pilot project to 2,248 patients - a 38% increase over last year.

Force Multipliers: Research and Development and Graduate Medical Education

Innovative research and development and vibrant medical education help ensure that we have the capabilities to deliver world-class care now and in the future. They are sound investments in sustaining our excellence to Navy Medicine to our mission of Force Health Protection.

The continuing mission of our Medical Research and Development program is to conduct health and medical research in the full spectrum of development, testing, clinical evaluation (RDT&E), and health threat detection in support of the operational readiness and performance of DoD personnel worldwide. In parallel with this primary operational research activity, our Clinical Investigation Program (CIP) continues to expand at our teaching MTFs with direct funding being provided to support the enrichment of knowledge and capability of our trainees. Where consistent with this goal, these programs are participating in the translation of knowledge and tangible products from our RDT&E activity into proof of concept and cutting edge interventions that are directly applied in benefit of our wounded warriors and our beneficiaries.

Navy Medicine's five strategic research priorities are set to meet the war fighting requirements of the Chief of Naval Operations and the Commandant of the Marine Corps. These pursuits continue with appropriate review and the application of best practices in meeting our goals. These five areas of priority include:

- Traumatic brain injury (TBI) and psychological health treatment and fitness
- Medical systems support for maritime and expeditionary operations
- Wound management throughout the continuum of care
- Hearing restoration and protection for operational maritime surface and air support personnel
- Undersea medicine, diving and submarine medicine

We continue to strengthen our medical partnerships in Southeast Asia, Africa and South America through the cooperation and support provided by our Naval Medical Research Units and medical research operations in those geographical regions. We find that the application of medical and health care diplomacy is a firm cornerstone of successful pursuit of overarching bilateral relations between allies. These engagements are mutually beneficial – not only for the relationships with armed forces of engaged countries, but for generalization of health care advances to the benefit of peoples around the globe.

Graduate Medical Education (GME) is vital to the Navy's ability to train board-certified physicians and meet the requirement to maintain a tactically proficient, combat-credible medical force. Robust, innovative GME programs continue to be the hallmark of Navy Medicine. We are pleased to report that despite the challenges presented by ten years of war, GME remains strong.

Our institutions and training programs continue to perform well on periodic site visits by the Accreditation Council for Graduate Medical Education (ACGME) and most are at or near the maximum accreditation cycle length. The performance of our three major teaching hospitals, in particular, has been outstanding with all three earning the maximum five-year accreditation cycle length. Board certification is another hallmark of strong GME. The overall pass rate for Navy trainees in 2011 was 96 percent, well above the national average in most specialties. Our Navy-trained physicians continue to prove themselves exceptionally well-prepared to provide care to all members of the military family, and in all operational settings ranging from the field hospitals of the battlefield to the platforms that support disaster and humanitarian relief missions.

Overall, I am pleased with the progress we are making with our joint enlisted training efforts at the Medical Education and Training Campus (METC) in San Antonio, Texas. I had an

opportunity to visit the training center earlier this year and meet with the leadership and students. We have a tremendous opportunity to train our Sailors with their Army and Air Force counterparts in a joint environment, and I am working with my fellow Surgeons General to ensure we optimize our efforts, improve interoperability and create synergies.

Interoperability and Collaborative Engagement

Navy Medicine continues to leverage its unique relationships with the Army, Air Force, the VA, as well as other federal and civilian partners. This interoperability helps create system-wide synergies and foster best practices in care, education and training, research and technology.

Our sharing and collaboration efforts with the VA continue throughout our enterprise and Navy Medicine's most recent joint venture is a unique partnership between the Naval Health Clinic Charleston, Ralph H. Johnson Veterans Affairs Medical Center, Naval Hospital Beaufort and the Air Force's 628th Medical Group. This partnership will manage joint health care services and explore local joint opportunities for collaboration. In addition, our new replacement facility at Naval Hospital Guam, currently under construction, will continue to provide ancillary and specialty service to VA beneficiaries.

Operations continue at the Captain James A. Lovell Federal Health Care Center (FHCC) in Great Lakes, Illinois – a first-of-its-kind fully integrated partnership that links Naval Health Clinic Great Lakes and the North Chicago VA Medical Center into one health care system. This joint facility, activated in October 2010, is a five year demonstration project as mandated by the National Defense Authorization Act of FY2010. During its first year, FHCC successfully completed the Civilian Personnel Transfer of Function which realigned staff from 1,500 to more than 3,000. The USS Red Rover Recruit Clinic processed more than 38,000 U.S. Navy recruits and delivered more than 178,000 immunizations to the Navy recruits. We continue to work with

DoD and the VA to leverage the full suites of information technology capabilities to support the mission and patient population.

In addition, our collaborative efforts are critical in continuing to streamline the Integrated Disability Evaluation System (IDES) in support of our transitioning Wounded, Ill and Injured service members. Within the Department of Navy (DON), we have completed IDES expansion to all 21 CONUS MTFs and we are working to implement improvements and best practices in order to streamline the IDES process to allow for timely and thorough evaluation and disposition. Further collaboration between DoD, the Services and the VA regarding information technology improvements, ability for field-level reports for case management and capability for electronic case file transfer is ongoing.

In support of DoD and VA interagency efforts, we are leveraging our information technology capabilities and building on joint priorities to support a seamless transition of medical information for our service members and veterans. This ongoing work includes the development of an integrated electronic health record and the Virtual Lifetime Electronic Record (VLER), including the Naval Medical Centers San Diego and Portsmouth participation in VLER pilot projects.

We completed the requirements associated with the Base Realignment and Closure (BRAC) in the National Capital Region (NCR) with the opening of the Walter Reed National Military Medical Center and Fort Belvoir Community Hospital. The scope of this realignment was significant and we are continuing to devote attention to ensuring that our integration efforts reduce overhead, maintain mission readiness and establish efficient systems for those providing care our patients. We have outstanding staff members comprised of Navy, Army, Air Force and civilians, who are executing their mission with skill, compassion and professionalism. The

opening of these impressive facilities represented several years of hard work by the men and women of military medicine, as well as generous support from Members of Congress. I am proud of what we accomplished and, moving forward, encouraged about the opportunities for developing a sustainable, efficient integrated health care delivery model in the NCR. I, along with my fellow Surgeons General, am committed to this goal and recognize the hard work ahead of us.

People – Our Most Important Asset

The hallmark of Navy Medicine is our professional and dedicated workforce. Our team consists of over 63,000 active component (AC) and reserve component (RC) personnel, government civilians as well as contract personnel – all working around the world to provide outstanding health care and support services to our beneficiaries. I am continually inspired by their selfless service and sharp focus on protecting the health of Sailors, Marines and their families.

Health care accessions and recruiting remain a top priority, and, overall, Navy Medicine continues to see solid results from these efforts. Attainment of our recruiting and retention goals has allowed Navy Medicine to meet all operational missions despite some critical wartime specialty shortages. In FY2011, Navy Recruiting attained 101% of active Medical Department officer goals, and 85% of reserve Medical Department officer goals. In a collaborative effort with the Chief of Navy Reserve and Commander, Navy Recruiting Command, we are working to overcome challenges in the RC medical recruiting missions. We recently held a recruiting medical stakeholders conference during which we discussed the challenges and courses of action to address them. Using a variety of initiatives such as the Health Professions Scholarship Program (HPSP), special incentive pays and selective re-enlistment bonuses, Navy Medicine is

able to support and sustain accessions and retention across the Corps. We are grateful to Congress for the authorities provided to us in support of these programs.

As a whole, AC Medical Corps manning at the end of FY2011 was 100% of requirements; however, some specialty shortfalls persist including general surgery, family medicine, and psychiatry. Aggressive plans to improve specialty shortfalls include continuation of retention incentives via special pays, and an increase in psychiatry training billets. Overall AC Dental Corps manning was at 96% of requirements, despite oral and maxillofacial surgeons manning at 77%. A recent increase in incentive special pays was approved to address this shortfall. General dentist incentive pay and retention bonuses have helped increase general dentist manning to 99%, up from 88% manning a year ago. At the end of FY2011, AC Medical Service Corps manning was 94% of requirements. A staffing shortage does exist for the social work specialty, manned at 45%. This shortage is due to increased requirements and billet growth during the past three years. We anticipate that this specialty will be fully manned by the end FY2014 through increased accessions and incentive programs. Our AC Nurse Corps manning at the end of FY2011 was 94% of requirements. Undermanned low density/high demand specialties including peri-operative nurses, certified registered nurse anesthetists and critical care nurses are being addressed via incentive special pays.

Our AC Hospital Corps remains strong with manning at 96%. Critical manning shortfalls exist in several skill sets such as behavioral health technicians, surface force independent duty corpsmen, dive independent duty corpsmen, submarine independent duty corpsmen, and reconnaissance corpsmen. Program accession and retention issues are being addressed through increased special duty assignment pay, selective re-enlistment bonuses and new force shaping policies.

Reserve component Medical Corps recruiting continues to be our greatest challenge. Higher AC retention rates have resulted in a smaller pool of medical professionals leaving active duty, and consequently, greater reliance on highly competitive Direct Commission Officer (DCO) market. RC Medical Corps manning at the end of FY2011 manning was at 71% of requirements while our Nurse Corps RC manning was 88%. To help mitigate this situation, there is an affiliation bonus of \$10K or special pay of up to \$25K per year based on specialty, and activated reserves are also authorized annual special incentive pays as applicable. Due to robust recruiting efforts and initiatives, the reserve component Nurse Corps exceeded recruiting goals for the second consecutive year. Dental Corps and Medical Service Corps RC manning is 100% and 99%, respectively.

Overall RC Hospital Corps manning is at 99%; however, we do have some shortfalls in surgical, x-ray and biomedical repair technicians. Affiliation bonuses are specifically targeted towards those undermanned specialties.

We are encouraged by our improving overall recruiting and retention rates. Improvements in special pays have mitigated manning shortfalls; however, it will take several years until Navy Medicine is fully manned in several critical areas. To ensure the future success of accession and retention for Medical Department officers continued funding is needed for our programs and special incentive pays. We are grateful for your support in this key area.

For our federal civilian personnel within Navy Medicine, we have successfully transitioned out of the National Security Personnel System (NSPS) and, in conjunction with the Assistant Secretary of Defense for Health Affairs and the other Services, we have begun a phased transition to introduce pay flexibilities in 32 health care occupations to ensure pay parity among health care providers in federal service. The initial phase occurred in FY 2011 when over 400

federal civilian physicians and dentists were converted to the new Defense Physician and Dentist Pay Plan. Modeled on the current VA pay system, the Defense Physician and Dentist Pay Plan provides us with the flexibility to respond to local conditions in the health care markets. We continue to successfully hire required civilians to support our Sailors and Marines and their families - many of whom directly support our Wounded Warriors. Our success is largely attributed to the hiring and compensation flexibilities granted by Congress to the DoD's civilian health care community over the past several years.

The Navy Medicine Reintegrate, Educate and Advance Combatants in Healthcare (REACH) Program is an initiative that provides wounded warriors with career and educational guidance from career coaches, as well as hands-on training and mentoring from our hospital staff. To date, Navy Medicine has launched the REACH Program at WRNMMC, Naval Medical Centers Portsmouth and San Diego, as well as Naval Hospital Camp LeJeune. The ultimate goal of the REACH Program is to provide a career development and succession pipeline of trained disabled veterans for Federal Civil Service positions in Navy Medicine.

I am committed to building and sustaining diversity within the Navy Medicine workforce. Our focus remains creating an environment where our diversity reflects that of our patients and our Nation and where our members see themselves represented in all levels of leadership. We embrace what we learn from our unique differences with the goal of a work-life in balance with mind, body, and spirit. I believe we are more mission-ready, stronger and better shipmates because of our diversity. Navy Medicine will continue to harness the teamwork, talent, and innovation of our diverse force as we move forward into our future.

Conclusion

In summary, Navy Medicine is an agile and vibrant health care team. I am grateful to those came before us for their vision and foresight; I am inspired by those who serve with us now for commitment and bravery; and I am confident in those who will follow us because they will surely build on the strength and tradition of Navy Medicine. I have never been more proud of the men and women of Navy Medicine.

On behalf of the men and women of Navy Medicine, I want to thank the Committee for your tremendous support, confidence and leadership. It has been my pleasure to testify before you today and I look forward to your questions.